UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

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ANADARKO ENERGY SERVICES COMPANY)	FE DOCKET NO. 02-39-NG
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ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT AND EXPORT NATURAL GAS
FROM AND TO CANADA, AND IMPORT LIQUEFIED NATURAL GAS

DOE/FE ORDER NO. 1792

I. DESCRIPTION OF REQUEST

On June 3, 2002, Anadarko Energy Services Company (Anadarko) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)½ for authorization to import and export up to a combined total of 50 Bcf of natural gas from and to Canada, and to import up to 100 Bcf of Liquefied Natural Gas (LNG) from various international sources to the United States and its territories. The requested authority is for a two-year term beginning on May 1, 2002.¾ Anadarko is a Delaware corporation, with its principal place of business in Houston, Texas. Anadarko intends to import and export the gas on negotiated terms competitive with market conditions existing at the time or expected to prevail for the duration of the arrangement. The proposed authorization does not involve the construction of new pipeline or terminal facilities.

II. <u>FINDING</u>

The application filed by Anadarko has been evaluated to determine if the proposed import and export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import or export of natural gas (from or to nations with which there are in effect free trade agreements requiring national treatment for trade in natural gas) and the import of LNG are deemed to be consistent with the

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 $[\]underline{1}/15$ U.S.C. § 717b. This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redelegation Order No. 00-002.04 (January 8, 2002).

 $[\]underline{2}$ / Anadarko's previous blanket import and export authority granted by DOE/FE Order Nos. 1581 and 1581-A issued on April 14, 2000, and June 28, 2001, (2FE ¶ 70,473 and ¶ 70,509) expired on April 30, 2002. Anadarko's request for new authority was inadvertently held up in the mail sanitizing process.

public interest and must be granted without modification or delay. The authorization sought by Anadarko to import and export natural gas, and to import LNG meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

- A. Anadarko Energy Services Company (Anadarko) is authorized to import and export up to a combined total of 50 Bcf of natural gas from and to Canada, and to import up to 100 Bcf of LNG from various international sources. The term of the authority began on May 1, 2002, and extends through April 30, 2004.
- B. This natural gas may be imported or exported at any point on the border between the United States and Canada.
- C. The LNG may be imported to existing receiving facilities in the United States and its territories.
- D. With respect to the natural gas imports and exports authorized by this Order, Anadarko shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports or exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports or exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, Anadarko must report the following: (1) total monthly volumes in Mcf; (2) the average monthly purchase price of gas per MMBtu at the international border; (3) the

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name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the

agreement(s); (6) the name of the U. S. transporter(s); (7) the point(s) of entry and exit; and (8) the

geographic market(s) served (for imports, by State). For import of natural gas and LNG transactions

only, the report shall also include: (1) whether sales are being made on an interruptible or firm basis; if

applicable, (2) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the

contract price, (3) the name(s) of the LNG tankers used; and (4) the country of origin. [OMB No.:

1901-0294]

E. The reporting requirements described in Ordering Paragraph D of this Order shall be filed

with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042,

FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., 20585.

F. The first quarterly report required by Ordering Paragraph C of this Order is due not later

than July 31, 2002, and should cover the period from May 1, 2002, until the end of the second

calendar quarter, June 30, 2002.

Issued in Washington, D.C., on June 25, 2002.

Clifford P. Tomaszewski

Manager, Natural Gas Regulation

Office of Natural Gas & Petroleum

Import & Export Activities

Office of Fossil Energy